50000

JAM-4/1

1 16 CHOLIT GOD 36 MACE 213 DEN 20-318

Janaican Scope Paper

## Objectives

- 1. We should acknowledge Sir Alexander Bustamante's publicly stated desire to establish close and friendly ties with the U.S. and express our sincere gratitude for these overtures.
- 2. We should encourage Sir Alexander to continue his resolute anticommunism, and his intent to align Jamaica on the side of the Free World.
- 3. We should imply to Sir Alexander our hope that an independent Jamaica by the maturity of its leaders will provide an example of responsible government in the area, thus adding an element of stability to the Caribbean.
- 4. We should encourage Jamaica to continue to participate in Caribbean intermarea arrangements. The proposed West Indies Federation, though now dead, included various cooperative enterprises of a non-governmental sort (University of the West Indies) which should be continued.

### Discussion

On August 6, 1962, Jamaica will receive its independence from the Umited Kingdom and thus become the first newly independent nation in the Western Hemisphere in almost 60 years.

The U.K. is gradually withdrawing from the Caribbean. Its influence, however, will remain a factor in post-independent Jamaica for some time to come. Nevertheless, its unwillingness to assume substantial economic or military commitments in the area will soon become apparent to Jamaica which we expect will look increasingly to the United States. The Premier of Jamaica, Sir Alexander Bustamante, has already asked for a Defense Agraement with the U.S. We have replied that the island's security could be preserved best by membership in the OAS and that as an OAS member Jamaica could participate in the activities of the Inter-American Defense Board. Further, Sir Alexander has been informed that after independence the U.S. would be prepared to extend oral assurances similar to those given several OAS members in the Caribbean to come to its aid if it is a victim of direct attack and to take steps to assist it to deal with indirect communist aggression.

It is our intention to establish a firm and friendly relationship with an independent Jamaica. We desire that Jamaica perform a useful role in the Inter-American system. Sir Alexander has expressed his intention to apply for membership in the OAS. Jamaica has already announced that the post-independent government will be a firm ally of the U.S. and has no desire to play the neutral game of seeking aid from East and Vest. Sir Alexander has taken a firmly anti-communist position in his public speeches.

Sportabl'

JH 5

U.S. economic aid will be required, but the Jamaicans have indicated that they do not wish to assume the posture of a passive recipient. They seem sincerely interested in contributing within their limitations and see their future relationship with the U.S. as a partnership built on mutual respect.

formerly destined to be a part of the proposed West Indian Federation, Jamaica, in a September 1961 referendum, chose to withdraw from the proposed grouping and seek separate independent status. Jamaicans feared that their comparatively prosperous island would be expected to bear a large part of the tax burden required to support the Federation government and the smaller non-viable islands. Sir Alexander's Jamaican Labor Party, the "out" party at the time of the referendum, equated federation with the embitions of then Premier Norman Manley, leader of the People's National Party. While there are no prospects for the revival of a Federation in the near term, it is desirable to encourage cooperation between the islands in the hope that in time some form of regional association contribution to stability will evolve.

Representatives of the Jamaican Government, the opposition, and British colonial officials met in London in February 1962, agreed to a constitution, and set a time-table for the cranting of independence. This Jamaican independence conference was held in an atmosphere of cordiality and cooperation. From it emerged a thoughtful and careful draft constitution, well endowed with heavily entrenched safeguards to protect personal and property rights. It was accepted without serious reservation by all participants at the conference.

On April 10, a general election was held. The hotly contested campaign pitted Fremier Norman Manley against his cousin and ancient rival, Sir Alexander Bustamante. In a close contest which saw the two major parties separated by 1% of the total popular vote, Sir Alexander returned to power after 7 years of eclipse, with a seven-vote majority in the Assembly. Between them the two major parties accounted for almost 99% of the total vote. The remainder was spread among various independents and a racist third party which failed to attract either adherents or serious attention.

Politically Jamaica approaches independence with the basis of a two-party system firmly laid. However, each of the two major parties is the personal vehicle of a colorful, aging political figure. A struggle for succession within each party is expected on the passing of its leader. During such a struggle, it is possible that both the Jamaican Lebor Party of 78 year-old Sir Alexander Bustamante, and the People's National Party of 68 year-old Norman Manley, could fragment.



"Declassified for Publication in Foreign Relations of the United States"



As it approaches independence Jamaica has certain assets in its favor: a well-trained Civil Service; experience in self-government; a comparatively prosperous economy; and a determination to succeed. Against these must be ranged certain deficiencies. Economically Jamaica depends heavily on commodities and tourism; the latter is a fickle source of income which can be seriously damaged by political instability. Jamaica's commodities, on the other hand, have previously entered the protected U.K. market and will surely be affected if Britain enters the Common Market. Jamaicans recognize the terminus aspect of the island's economy and are determined to buttress it by diversification and investment incentives.

Defense concerns, both internal and external, trouble the Jamaicans. On the one hand, the government fortunately is reluctant to expend large sums for the support of a defense force, and yet, with the withdrawal of British troops, the Jamaican authorities realize that a force of some sort will be required.

Internal disturbances are not anticipated and yet can not be discounted because of the possibility of subversive activity by communists or racists. Externally, the threat posed by Cuba is the main preoccupation. Traditionally the Jamaicans have worked in the cane and tobacco fields of Cuba, and nationals in the number of 40 to 50 thousand are at present employed there. Their presence confronts the new government with a dilemma and will almost surely require the maintenance of consular relations between the two countries to ensure the provision of citizenship and protective services. Despite press reports and stories by returning visitors, we do not believe there is a significant communist movement on the island at this time.

Premier Bustamante's great interest is in politics, and he tends to disdain detail. His call will not in all likelihood be devoted to any exhaustive bilateral exchanges. At his present stage in life he experiences periodically difficulty in concentration. He has asked that his three ministers, who are accompanying him, be included in this call. Because one of them will almost surely succeed Bustamante should he, as has been widely rumored, abandon the Premiership soon after independence to become Governor General of Jamaica, it is considered advisable to include them.

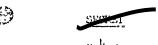
The following bilateral problems may be touched on:

#### Organization of American States

Jamaica has announced its intention to apply for admission in the OAS immediately after independence. We favor Jamaica's candidacy and will support it, although we feel it inappropriate to appear to sponsor Jamaica for admission.



CA 10



JAM14/2 ,

# Perense Treaty with the United States

Should Sir Alexander raise again his request for a defense treaty with the U.C., we should restate our belief that the island's security could be best preserved by membership in the OAS and adherence to the Rio Treaty. As an OAS member, Janaica could also participate in hemisopheric collective security planning, e.g., the Inter-American Defense Board. He should also be reminded that after independence, the U.S. would be prepared to extend oral assurances similar to those given several OAS members in the Caribbean to come to its aid if it is a victim of direct attack and to take steps to assist it to deal with indirect communist aggression.

## Aid Levels

The Fremler may request an indication of progress on present aid proposals and an idea of cost-independence U.S. aid. In addition to a program of tachnical assistance, the U.S. is now preparing to finance a rural water supply loan and a low-cost housing loan. The water loan is asaiting final U.S. approval and should be ready for signing within a few days. Final action on the housing Joan to expected within four to six wasks. As to the future, once Jamaica Joins the OAS, it will be eligible to participate fully in the Alliance for Progress. We are prepared to assist Jamaica's efforts within the noncept of the Alliance. Upon becoming a member of the OAS we suggest Jamaica as the first step ask the panel of experts of the CAS to study its development plan. 'e would look favorably on I.D.B. financing and will consider other requests for assistance within the Alliance framework. We stand ready to continue to assist the Government of Jamaica to develop projects so that it can seek funds from various lending agercies. (Because of our balance of payments difficulties and other heavy demands on AID funds, we should be careful not to create excessive expectations.)

# Sugar

Jammica has benefited from the reallocation of the former Cuban quota. Under the terms of the bill reported out of the House Agriculture Committee. Jammica, as a member of the West Indies Sugar Association, would benefit from a permanent quota of 100,000 tens per year, plus a temporary quota of 150,000 tens drawn from the Cuban quota reallocation assigned to the Association. Bustamante may press for a separate Jammican quota, offering to withdraw from the West Indies buyar Association. The House bill, as reported, is at variance with the Administration's proposals. It should be pointed out to Bustamante that the West Indies would fare quite well under the terms of the House bill, that final legislation, however, is as yet undecided, and that the establishment of a separate Jamaican quota at this time would seem inopportune.



5A 11

# BEST COPY AVAILABLE

## Beuxite

Jamaica has been supplying the U.S. with bauxite for stockpiling purposes under the barter program. Sir Alexander may press for a continuation of these purchases, citing as a reason the impact of their suspension on the economy of newly-independent Jamaica. It is suggested that Sir Alexander be informed that the entire stockpiling program is now under critical review by the U.S. and that until this has been concluded and a policy established, it will not be possible to make any commitments as to future barter possibilities.

#### Immigration

On attaining independence, Jamaica will become the only country in the Western Hemisphere not assigned non-quota status. Its quota will be 100 per year. Already this has become a domestic political issue, ex-Premier Manley having raised the question of a "double standard" in the Assembly.

We have recognized the importance from a foreign policy point of view of placing Jamaica and all other independent areas within the Mestern Hemisphere on an equal footing.

We are seeking the Attorney General's concurrence in a legislative proposal to be submitted to the 88th Congress which would eliminate quantitative controls on their immigration to the U.S. They would, as all other immigrants, remain subject to qualitative controls.

## Consurrences:

ARA - Mr. Day

Mr. Spencer

AID - Mr. Martin

SCA - Mr. Clattenburg

E - Hr. Callanan

Mr. Gabbert

EUR: BNA: JRBurke/mem 6/22/62

SECOLO

CANAL CONTRACTOR

J11 12

"Declassified for Publication in Foreign Relations of the United States"